

(12)

generated from water power less than that at which the Power Company will. In its offer, agree to furnish said energy, then the Railway Company agrees to purchase said additional energy from the Power Company, if the latter will meet such price.

X.

If default shall be made at any time by either party to this Agreement in making payments at the time or times when they shall fall due under the terms of this Agreement, and if such default shall continue for sixty days after demand for payment shall have been made, then the other party shall have the right, at its option, of terminating this Agreement, or without terminating this Agreement to discontinue delivering electric energy generated by water or by steam, as the case may be, until all money due to it from the other party shall have been paid. And this option may be exercised by either party whenever, and as often as any such default shall occur and continue for the said period of sixty days after demand has been made; omission to exercise such option at any time shall not constitute a waiver of the right to exercise such option whenever such default shall occur, nor shall anything herein contained be held to prevent either party from enforcing the payments due to it by legal process.

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XI.

If any question should arise between the Railway Company and the Power Company as to the performance by either party of any provisions of this Contract, or if any question should arise over either party's construction of any such provisions, such question shall be submitted to a board of arbitrators, one member of which shall be appointed by the Railway Company; another by the Power Company, and the two so selected to appoint a third member; any decisions made by this board or a majority thereof shall be final and binding upon the parties hereto; and any damages which may be awarded by said board or majority to the party injured shall be paid to the party injured by the other party within thirty days from the decision of the board. Should either party fail or refuse to name its arbitrator within ten days after written notice from the other party of the latter's desire for arbitration (which notice shall define the question or questions to be arbitrated and shall contain the name of the arbitrator chosen by said other party), then it shall be competent for any member of the Supreme Bench of Baltimore City to name an arbitrator on behalf of the party so failing or refusing; and such arbitrator so named shall have all the powers of an arbitrator named by the party so in default. Should the arbitrators, however named, fail to agree upon a third arbitrator within ten (10) days after

(14)

their appointment, then it shall be competent for any member of said Supreme Bench, at the request of either party to name such third arbitrator.

XII.

This Contract between the Power Company and the Railway Company shall remain in force for a period of ten (10) years from the date of the first delivery of energy generated by water power under this Contract. The Railway Company shall have the option to extend the Contract for a further period of ten (10) years, provided notice to that effect is given not less than one (1) year prior to the expiration of the ten (10) year period.

XIII.

This Agreement is an entire contract, each stipulation being a part of the consideration for every other, and the terms, covenants and conditions thereof shall enure to the benefit of and bind the successors and assigns of each of the parties hereto, as well as the parties themselves.

(15)

FINALLY.

Inasmuch as the satisfactory operation of the Railway Company's system will depend largely on the uninterrupted availability and reliability of the energy furnished by the Power Company hereunder,— it is further agreed, notwithstanding anything hereinbefore contained:

(1) That if at any time or for any cause the Power Company shall be unable to give to its customers the full amount of energy due them,— no discrimination will be made against the Railway Company to its injury in favor of any other customer of the Power Company. (Inasmuch as the damages arising from the breach of this stipulation may be serious and will be impossible of exact ascertainment, it is agreed that five thousand dollars (\$5000) shall be paid for each breach, as liquidated damages, and not as a penalty.

(2) Loss of fares by the Railway Company shall be considered as an element of damages arising from interruptions of service. Inasmuch, however, as there may be interruptions more or less short in duration, where the resort to arbitration may prove to be too cumbersome a method for the determination of losses due to such interruptions, the Railway Company instead of resorting to arbitration may (but it is not required to) elect to have the General Managers of the two Companies determine the amount of

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said loss or losses, calling in a third party as umpire if necessary, whose decision shall be final as to the matters presented to him. The Railway Company shall charge the Power Company, in the next succeeding monthly settlement, with the amount of loss or losses so determined.

(5) The arbitration provisions of this Contract shall not prevent the exercise by the Railway Company of any legal right it would otherwise have to terminate this Contract, without resort to arbitration, if the service of the Power Company is not substantially in accordance with Article I and the other provisions hereof.

IN WITNESS WHEREOF The parties hereto have caused this Agreement to be executed by their proper officers thereunto duly authorized, and their respective corporate seals to be hereunto affixed, the day and year first above written.

MCALL FERRY POWER COMPANY,

ATTEST:

By

President.

Secretary.

THE UNITED RAILWAYS AND ELECTRIC
COMPANY OF BALTIMORE,

ATTEST:

By

President.

Secretary.

Hutchinson's Report on Condition of the Work,
November 1, 1907

McCALL FERRY POWER COMPANY

OFFICE OF THE CHIEF ENGINEER

ROOM 2407, SIXTY WALL STREET

NEW YORK CITY

CARY T. HUTCHINSON
CHIEF ENGINEER
WM. BARCLAY PARSONS
CONSULTING ENGINEER

November 26th, 1907.

H. F. Dimock, Esq., President,

McCall Ferry Power Company,

#60 Wall Street, N. Y. City.

CONDITION OF THE WORK AT McCALL FERRY ON NOVEMBER 1st, 1907.

Dear Sir,--

In accordance with the direction of the Executive Committee the works of this Company at McCall Ferry have been suspended, only such men being retained as are necessary to guard the work already done against danger during winter.

It happens that the condition of the work was particularly favorable to a partial suspension, owing to the fact that we have finished all the work on the dam on both sides of the river that would have been done this Fall. It was intended that work on the dam should cease on November 1st, as it did; we expected to proceed with the work of the tail-race cut and complete the walls and other parts of the power house; this work has been stopped.

The back wall of the power house, however, is up to its finished height at all points and so guards the power house against dangers from floods or ice. The cessation of work therefore means delay, but does not mean danger to the work already done. The force on the ground is sufficient to meet any emergencies; it is employed in putting the construction plant in winter quarters and in minor work in the power house.

In the meantime, as authorized, the work of securing rights-of-way for the transmission line to Baltimore will be continued, and that part already secured will be held, and the detail work on the engineering designs will be continued.

To Mr. Dimock,

The makers of water wheels and of the electrical machinery have been directed to cease work on their contracts.

The attached sheets give,-

- (A) Work done and to be done, excluding equipment, in quantities.
- (B) Work done and to be done, excluding equipment, in percentage.
- (C) Money spent and to be spent, including equipment.

Making allowances for the ten months spent in preparatory work, and the money spent on ~~that~~ work, I estimate that the work as a whole, excluding equipment, is at least 80% complete. The work done will not be endangered by suspension of active work.

Very truly yours,

Carly J. Hutchinson
Chief Engineer.

(A)

CONDITION OF WORK

November 1st, 1907

CONCRETE

	<u>Total</u>	<u>In Place</u>	<u>To Complete</u>
Dam and Abutments	189 125 yds.	142 766 yds.	46 359 yds.
Power House Sub-structure	86 650	64 637.	22 013
Power House Super-structure	10 530	4 480	6 050
Sundry	<u>19 313</u>	<u>9 063</u>	<u>10 250</u>
TOTAL	305 618 yds.	220 946 yds.	84 672 yds.

STEEL

Power House Super-structure	939 400 lbs.	79 106 lbs.	860 294 lbs.
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ROCK EXCAVATION

Tail Race	150 000 yds.	60 447 yds.	89 553 yds.
Other Work	<u>147 946</u>	<u>116 829</u>	<u>31 117</u>
TOTAL	297 946 yds.	177 276 yds.	120 670 yds.

(B)

WORK DONE IN PERCENTAGE.

CONCRETE

	<u>In Place</u>	<u>To Complete</u>
Dam and Abutments	75%	25%
Power House Sub-structure	74%	26%
Power House Super-structure	42%	58%
Sundry	<u>47%</u>	<u>53%</u>
TOTAL	72%	28%

STEEL

Power House Super-structure	8.5%	91.5%
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ROCK EXCAVATION

Tail Race	40.5%	59.5%
Sundry	<u>79.0%</u>	<u>21%</u>
TOTAL	59.5%	40.5%

Trace pencil - as it must print.

(C)

COST OF CONSTRUCTION.

TO NOVEMBER 22nd, 1907.

	<u>Total to Complete</u>	<u>Money Spent</u>	<u>Balance</u>	<i>R.M.C.</i>
Construction Plant and Preliminary Work	\$1 326 210	\$1 326 210	- -	100 %
Dam and Power House Sub-structure	1 855 730	1 326 960	\$528 770	71.5 %
Power House Super-structure	286 540	48 250	238 290	16.8 %
Hydraulic Equipment	570 000	127 250	442 750	22.4
Electrical Equipment	553 000	---	553 000	0
Tail Race Improvement	365 000	173 930	191 070	47.6
Elevation C. and P. D. Tracks	<u>1 250 000</u>	<u>1 155 370</u>	<u>94 630</u>	92.5
TOTAL	\$6 206 480	\$4 157 970	\$2 048 510	

PERCENT

100%

67%

33%

Letter Agreement for Issuance of Additional McCall Ferry
Power Company Bonds to Susquehanna Contracting
Company for Additional Property, Cash, etc.

SUSQUEHANNA CONTRACTING COMPANY.

62 Cedar Street.

New York, October 20th, 1908.

McCall Ferry Power Company,
60 Wall Street, New York.

Gentlemen:

The Susquehanna Contracting Company hereby offers to discharge and cancel all indebtedness due from McCall Ferry Power Company to the Susquehanna Contracting Company, including the indebtedness arising from recent advances for the purpose of providing for construction work now under way and lately undertaken, with a view to provision being made therefor through the issuance of bonds of the McCall Company, and will assign and release to the McCall Company all collateral held for any of said indebtedness, and will further pay to the McCall Company \$62,000 in cash from time to time as needed by the McCall Company for or in connection with its construction work, and will convey or cause to be conveyed to the McCall Company all the lands, and interests in lands, in the State of Pennsylvania, now owned, directly or indirectly, by the Contracting Company, in consideration that the McCall Company will pay and deliver to the Contracting Company \$544,000 in par value of the first mortgage

bonds of McCall Company.

SUSQUEHANNA CONTRACTING COMPANY,

By

A. J. Butcher

President -

SUSQUEHANNA CONTRACTING COMPANY.

62 Cedar Street.

New York, October 20, 1908.

McCall Ferry Power Company,

60 Wall Street, New York.

Gentlemen:

In case your Company shall accept the proposition this day submitted to you by us for the issuance to us of \$544,000 in par value of the first mortgage bonds of the McCall Company, we beg to say that we have made arrangements whereby we can borrow \$400,000 in cash, to be repaid in one year, with interest at 6%, on the pledge of 702 of said bonds of the McCall Company, which will then be in our possession, and the first mortgage on the property of the Conowingo Land Company, on which there is now due, principal and interest, over \$30,000, provided the lenders be protected by the pledge as additional collateral of the equity of the McCall Ferry Power Company in the deposit of \$250,000 and interest held by the Knickerbocker Trust Company to secure the performance of a certain contract with two Railroad Companies. Accordingly if your Company will pledge your equity in said deposit as aforesaid, this Company hereby offers to procure for you, and secure to you, the option to purchase said 702 bonds and said Conowingo Land Company mortgage, by paying the amount of said \$400,000 loan, and interest, at any

-2-

time on or before the maturity of said loan, it being understood that if said option should not be exercised by you, and your equity in said deposit, or any part thereof, should be used in the payment of said loan (such option being not exercised) then this Company will be responsible to you therefor.

SUSQUEHANNA CONTRACTING COMPANY,

By

A. P. B. Hat
President

6041-2 3743

[Handwritten signature]

MCALL FERRY POWER COMPANY
SIXTY WALL STREET
NEW YORK

October 22, 1908. 231

Susquehanna Contracting Company,
62 Cedar Street,
New York City.

Gentlemen:-

The McCall Ferry Power Company hereby accepts the proposition contained in your first letter of the 20th inst., relative to the delivery to you of ~~\$500,000~~ in par value of the first mortgage bonds of this Company, for the considerations stated in said letter.

Yours very truly,

MCALL FERRY POWER COMPANY.

BY

[Handwritten signature]
President.

Call

MCALL FERRY POWER COMPANY
SIXTY WALL STREET
NEW YORK

October 22, 1908.

Susquehanna Contracting Co.,

62 Cedar Street,

New York City.

Gentlemen:-

The McCall Ferry Power Company hereby accepts the proposition contained in your second letter of the 20th inst., relative to the pledge by this Company of the equity in the deposit of \$250,000 and interest held by the Knickerbocker Trust Company, for the considerations stated in said letter.

Yours very truly,

MCALL FERRY POWER COMPANY,

By

H. Quincy
President.

Notes for \$400,000 Loan

\$100,000.

New York, October 28th, 1908.

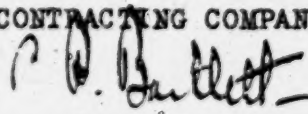
On or before one year after date, the SUSQUEHANNA CONTRACTING COMPANY promises to pay to HARVEY FISK & SONS, or order, at their office in the City of New York, one hundred thousand dollars (\$100,000), with interest at six per cent. per annum, for value received, having assigned, or procured to be assigned, to said HARVEY FISK & SONS as collateral security one hundred and seventy-five (175) One thousand dollar (\$1000) first mortgage bonds of the McCall Ferry Power Company, Nos. 1945 to 1983 and 8484 to 8619 , inclusive, and also a one-fourth interest in the equity of the McCall Ferry Power Company in the deposit of two hundred and fifty thousand dollars (\$250,000) and interest held by the Knickerbocker Trust Company. In case of any exchange of or addition to the collaterals above named, the provisions of this note shall extend to and embrace such new or additional collaterals. In case of the non-payment of this note at maturity, the Susquehanna Contracting Company hereby authorizes said Harvey Fisk & Sons to sell, without notice, at the Board of Brokers in the City of New York, or at public or private sale, at the option of said Harvey Fisk & Sons, all or any of the above mentioned collaterals, applying the net proceeds to the payment of this note, including interest, and accounting to said Susquehanna Contracting Company for the surplus, if any. In case of deficiency, the Susquehanna Contracting Company promises to pay to said Harvey Fisk & Sons the amount of such deficiency forthwith after such sale, with legal interest. Upon any sale of any such collaterals, said Harvey Fisk & Sons may become the purchasers thereof, and may hold the same thereafter in their

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own right absolutely free from any claim by the Susquehanna Contracting Company. Upon the transfer of this note said Harvey Fisk & Sons may deliver the collaterals, or any part thereof, to the transferee, who shall thereupon become vested with all the powers and rights above given to the said Harvey Fisk & Sons with respect thereto, and said Harvey Fisk & Sons shall thereafter be forever relieved and fully discharged from any liability or responsibility in the matter. As further security for the payment of this note the Susquehanna Contracting Company has assigned to Thomas Thacher and Philip G. Bartlett, of New York City, as Trustees, an undivided one-fourth interest in two of the first mortgage bonds of the McCall Ferry Power Company Nos. 2101 and 2102, and also an undivided one-fourth interest in and to the first mortgage on the real property of the Conowingo Land Company, in Conowingo, Cecil County, Maryland, executed on the 1st day of April, 1902, by Charles C. Caldwell and wife to the Executors of James C. Bell, together with the bond secured thereby, in the principal sum of twenty-five thousand dollars (\$25,000), and all interest accrued or to accrue thereon, to be held, used and applied for the benefit of said Harvey Fisk & Sons, their executors, administrators and assigns.

SUSQUEHANNA CONTRACTING COMPANY,

By



President



Secretary

\$100,000.

New York, October 28th 1908.

On or before one year after date, the SUSQUEHANNA CONTRACTING COMPANY promises to pay to BERTRON, STORRS & GRISCOM, or order, at their office in the City of New York, one hundred thousand dollars (\$100,000), with interest at six per cent. per annum, for value received, having assigned, or procured to be assigned, to said BERTRON, STORRS & GRISCOM, as collateral security one hundred and seventy-five (175) One thousand dollar (\$1000) first mortgage bonds of the McCall Ferry Power Company Nos. 2023 to 2061 and 8756 to 8891, inclusive, and also a one-fourth interest in the equity of the McCall Ferry Power Company in the deposit of two hundred and fifty thousand dollars (\$250,000) and interest held by the Knickerbocker Trust Company. In case of any exchange of or addition to the collaterals above named, the provisions of this note shall extend to and embrace such new or additional collaterals. In case of the non-payment of this note at maturity, the Susquehanna Contracting Company hereby authorizes said Bertron, Storrs & Griscom to sell, without notice, at the Board of Brokers in the City of New York, or at public or private sale, at the option of said Bertron, Storrs & Griscom, all or any of the above-mentioned collaterals, applying the net proceeds to the payment of this note, including interest, and accounting to said Susquehanna Contracting Company for the surplus, if any. In case of deficiency, the Susquehanna Contracting Company promises to pay to said Bertron, Storrs & Griscom the amount of such deficiency forthwith after such sale, with legal interest. Upon any sale of any such collaterals, said Bertron,

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Storrs & Griscom may become the purchasers thereof, and may hold the same thereafter in their own right absolutely free from any claim by the Susquehanna Contracting Company. Upon the transfer of this note, said Bertron, Storrs & Griscom may deliver the collaterals, or any part thereof, to the transferee, who shall thereupon become vested with all the powers and rights above given to the said Bertron, Storrs & Griscom with respect thereto, and said Bertron, Storrs & Griscom shall thereafter be forever relieved, and fully discharged from any liability or responsibility in the matter.

As further security for the payment of this note, the Susquehanna Contracting Company has assigned to Thomas Thacher and Philip G. Bartlett, of New York City, as Trustees, an undivided one-fourth interest in two of the first mortgage bonds of the McCall Ferry Power Company Nos. 2101 and 2102, and also an undivided one-fourth interest in and to the first mortgage on the real property of the Conowingo Land Company, in Conowingo, Cecil County, Maryland, executed on the 1st day of April, 1902, by Charles C. Caldwell and wife to the Executors of James C. Bell, together with the bond secured thereby, in the principal sum of twenty-five thousand dollars (\$25,000) and all interest accrued or to accrue thereon, to be held, used and applied for the benefit of said Bertron, Storrs & Griscom, their executors, administrators and assigns.

SUSQUEHANNA CONTRACTING COMPANY,

By

A. D. Bartlett

President

Wm. J. Finckley

Secretary.

\$100,000.

New York, October 28th, 1906.

On or before one year after date, the SUSQUEHANNA CONTRACTING COMPANY promises to pay to LEE, HIGGINSON & COMPANY, or order, at their office in the City of New York, one hundred thousand dollars (\$100,000), with interest at six per cent. per annum, for value received, having assigned, or procured to be assigned, to said Lee, Higginson & Company as collateral security one hundred and seventy-five (175) One thousand dollar (\$1000) first mortgage bonds of the McCall Ferry Power Company, Nos. 1984 to 2022 and 8620 to 8755, inclusive, and also a one-fourth interest in the equity of the McCall Ferry Power Company in the deposit of two hundred and fifty thousand dollars (\$250,000) and interest held by the Knickerbocker Trust Company. In case of any exchange of or addition to the collaterals above named, the provisions of this note shall extend to and embrace such new or additional collaterals. In case of the non-payment of this note at maturity, the Susquehanna Contracting Company hereby authorizes said Lee Higginson & Company to sell, without notice, at the Board of Brokers in the City of New York, or at public or private sale, at the option of said Lee, Higginson & Company, all or any of the above mentioned collaterals, applying the net proceeds to the payment of this note, including interest, and accounting to said Susquehanna Contracting Company for the surplus, if any. In case of deficiency, the Susquehanna Contracting Company promises to pay to said Lee, Higginson & Company the amount of such deficiency forthwith after such sale, with legal interest. Upon any sale of any such collaterals, said Lee, Higginson & Company may become the purchasers thereof, and may hold the same

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thereafter in their own right absolutely free from any claim by the Susquehanna Contracting Company. Upon the transfer of this note said Lee, Higginson & Company may deliver the collaterals, or any part thereof, to the transferee, who shall thereupon become vested with all the powers and rights above given to the said Lee, Higginson & Company with respect thereto, and said Lee, Higginson & Company shall thereafter be forever relieved and fully discharged from any liability or responsibility in the matter. As further security for the payment of this note the Susquehanna Contracting Company has assigned to Thomas Thacher and Philip G. Bartlett, of New York City, as Trustees, an undivided one-fourth interest in two of the first mortgage bonds of the McCall Ferry Power Company Nos. 2101 and 2102, and also an undivided one-fourth interest in and to the first mortgage on the real property of the Conowingo Land Company, in Conowingo, Cecil County, Maryland, executed on the 1st day of April, 1902, by Charles C. Caldwell and wife to the Executors of James C. Bell, together with the bond secured thereby, in the principal sum of twenty-five thousand dollars (\$25,000), and all interest accrued or to accrue thereon, to be held, used and applied for the benefit of said Lee, Higginson & Company, their executors, administrators and assigns.

SUSQUEHANNA CONTRACTING COMPANY

By

A. J. Brinett

President

R. J. Mackey

Secretary.

\$100,000.

New York, October 28, 1908.

On or before one year after date, the SUSQUEHANNA CONTRACTING COMPANY promises to pay to C. A. COFFIN, or order, at his office in the City of New York, One hundred thousand dollars (\$100,000), with interest at six per cent. per annum, for value received, having assigned, or procured to be assigned, to said C. A. Coffin as collateral security one hundred and seventy-five (175) One thousand dollar (\$1,000) first mortgage bonds of the McCall Ferry Power Company, Nos. 2062 to 2100 and 8892 to 9027, inclusive, and also a one-fourth interest in the equity of the McCall Ferry Power Company in the deposit of Two hundred and fifty thousand dollars (\$250,000) and interest held by the Knickerbocker Trust Company. In case of any exchange of or addition to the collaterals above named, the provisions of this note shall extend to and embrace such new or additional collaterals. In case of the non-payment of this note at maturity, the Susquehanna Contracting Company hereby authorizes said C. A. Coffin to sell, without notice, at the Board of Brokers in the City of New York, or at public or private sale, at the option of said C. A. Coffin, all or any of the above mentioned collaterals, applying the net proceeds to the payment of this note, including interest, and accounting to said Susquehanna Contracting Company for the surplus, if any. In case of deficiency, the Susquehanna Contracting Company promises to pay to said C. A. Coffin the amount of such deficiency forthwith after such sale, with legal interest.

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Upon any sale of any such collaterals, said C. A. Coffin may become the purchaser thereof, and may hold the same thereafter in his own right absolutely free from any claim by the Susquehanna Contracting Company. Upon the transfer of this note said C. A. Coffin may deliver the collaterals, or any part thereof, to the transferee, who shall thereupon become vested with all the powers and rights above given to the said C. A. Coffin with respect thereto, and said C. A. Coffin shall thereafter be forever relieved and fully discharged from any liability or responsibility in the matter.

As further security for the payment of this note the Susquehanna Contracting Company has assigned to Thomas Thacher and Philip G. Bartlett, of New York City, as Trustees, an undivided one-fourth interest in two of the first mortgage bonds of the McCall Ferry Power Company Nos. 2101 and 2102, and also an undivided one-fourth interest in and to the first mortgage on the real property of the Conowingo Land Company, in Conowingo, Cecil County, Maryland, executed on the 1st day of April, 1902, by Charles C. Caldwell and wife to the Executors of James C. Bell, together with the bond secured thereby, in the principal sum of Twenty-five thousand dollars (\$25,000), and all interest accrued or to accrue thereon, to be held, used and applied for the benefit of said C. A. Coffin, his executors, administrators and assigns.

SUSQUEHANNA CONTRACTING COMPANY,
By

A. P. Rutter

resident.

R. C. Mackey

Pay to General Electric Company
without recourse
J. T. Coffin

WITHOUT RECOURSE.
General Electric Company
H. M. Darling
Genl. signed.
John B. B. B.
am

Kelsch's Engineering Report, April 26, 1909

REPORT

PREPARED BY

R. S. KELSCH
CONSULTING ENGINEER
MONTREAL
CANADA

(COPY)

APRIL 26th, 1909.

A. R. ALDRID, ESQ.,

MONTREAL, CANADA.

Dear Sir,-

In compliance with your instructions I visited the Pennsylvania Power Company's Hydro-Electric development, located near McCall's ferry, on the Susquehanna River, Lancaster County, Pa., and found that there is a water power of very large capacity. The head under normal conditions is 53 feet, increasing at high water seasons to 64 ft. This large Hydro-Electric Plant, which has been under construction since the Fall of 1905, is about 85% finished. I estimate the cost of work done, including construction plant, to have cost approximately \$7,000,000. The ultimate normal capacity of the plant, as constructed, is for 100,000 H.P., and for a two-hour peak overload capacity of 135,000 H.P.

I have examined the plans for this development, and have made calculations on cost of completing the work for developing 37,500 H.P., and transmitting the power 40 miles to Baltimore, Md. I found the plans of development to be as shown in Bulletin #3, dated June 1907. This Bulletin gives full details of the Plant and shows the arrangement for the generation of 100,000 H.P., normal, and 135,000 H.P. for a two-hour peak.

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A copy of this bulletin is enclosed herewith, and in order that the exact condition of the work may be understood, without going into a long description of the same, I have scored out the unfinished part of power house shown in section in the bulletin, from which you will see that all of the expensive, slow and hazardous work has been finished, and that the unfinished work consists of light walls, roofs and some arches below the transformer building and the generators. The above applies to the Power House.

Outside of the Power House, the expensive, slow and hazardous work is finished, as shown on plan view in bulletin. The figures indicate the percentage of work completed on each part of the plant and are as follows, - Power House 80%; main dam 82%, tail race fender 56%, tail race 100%, forebay 98%, ice protection dam 95%, ice fender - entrance to forebay 95%.

I made a very thorough examination of the finished work which has successfully withstood two flood seasons, without damage of any kind. The concrete work is first-class, and as hard as solid rock. Before the work was discontinued all steel and other perishable material was painted or housed in to protect it from the weather. The construction plant has also been housed. The property is now in charge of the former Paymaster and four watchman.

With respect to your instructions to make an estimate on the cost, to finish the work for the generation of 37,500 H.P. requiring three main units, two exciters, raising and lowering

J. E. ALDRICH, Esq.,

#3

transformers, switch-boards, transmission line, water wheels, substation at Baltimore, etc., I have received from Wm. M. Barnum, Esq. copies of contracts for the hydraulic and electrical apparatus. As all of this machinery is in the hands of the manufacturers, and as they will be unable to dispose of it on account of the special design of the apparatus, it will, no doubt, be possible to purchase it at less than the prices mentioned in the original contracts, especially as prices of all materials are now much lower than when contracts were signed. However, in making the estimates, I have used the prices in the original contracts. Therefore my estimates are on the safe side, and will no doubt be found high, rather than too low. My estimates are based on finishing the work as follows, -

Close up 14 gaps in main dam, each 40 ft. long, or 560 ft. of the total 2500 ft. of the main dam. (the lower portion of footings in gaps are in place) Finish curtain wall and supports for racks in front of Power House, booms at entrance to forebay; tail race fender, ice chutes, and the railroad tunnel entrance to Power House, screen and gate room, and transformer house. This would permit the installation of five main units and two exciters; switchboards, etc., without any additional extension to building, to give a generating capacity of 50,000 H.P., normal, and 67,000 H.P. for the two-hour daily peak loads under normal water conditions. All of which I estimate, would cost \$800,000. plus \$100,000 for engineering and contingencies. The Pennsylvania Railroad tracks will have to be changed when the compressor plant is removed.

J.F. ALMUD, ESQ.

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In addition to the foregoing there will be the three main and two exciter water-wheel units, water-wheel governors, piping, etc., three generators, two exciters, raising and lowering transformers, switchboards, wires and cables, transmission line and substation at Baltimore, engineering and contingencies, all of which, I estimate, will cost \$1,375,000. Making a total expenditure of \$2,275,000. This does not allow for any commissions, or cost of financing. This expenditure would complete the Plant for delivering 30,000 H.P., from the bushars in substation in the City of Baltimore, Md.

At McCall's Ferry, and on the Company's property, there are twelve residences finished and ready for occupation by the Power House operating staff. These buildings are complete with electric lights, heating, water and sewerage systems. They belong to the Company and cost on an average of \$4,000. each. There is a fine machine and carpenter shop, fully equipped, owned by, and on the property of the Company.

The development is located on the main line of the Pennsylvania R.R.Co., between Perryville and Lancaster; has good telegraph, long-distance telephone, and transportation facilities, and in fact has advantages rarely found in connection with the average Hydro-Electric Plant.

While it is almost unnecessary to say that the contemplated plan to reorganize the Company on basis of finishing the plant along economical lines for delivering 30,000 H.P. in Baltimore is bound to bear satisfactory results, I strongly recommend that the plans for finishing the development include

J. R. ALDRICH, ESQ.

generating 100,000 H.P. in the very near future, for in my opinion it will not be long before the ultimate capacity of the plant, as originally contemplated, will be in demand, as there is a market for several times the maximum capacity of the plant as originally designed.

The development is in a section of the country, free from any severe weather conditions, and, in fact, the general situation is favorable to successful operation and assuring power purchasers a continuity of service equal to that furnished by any Hydro-Electric development on this continent.

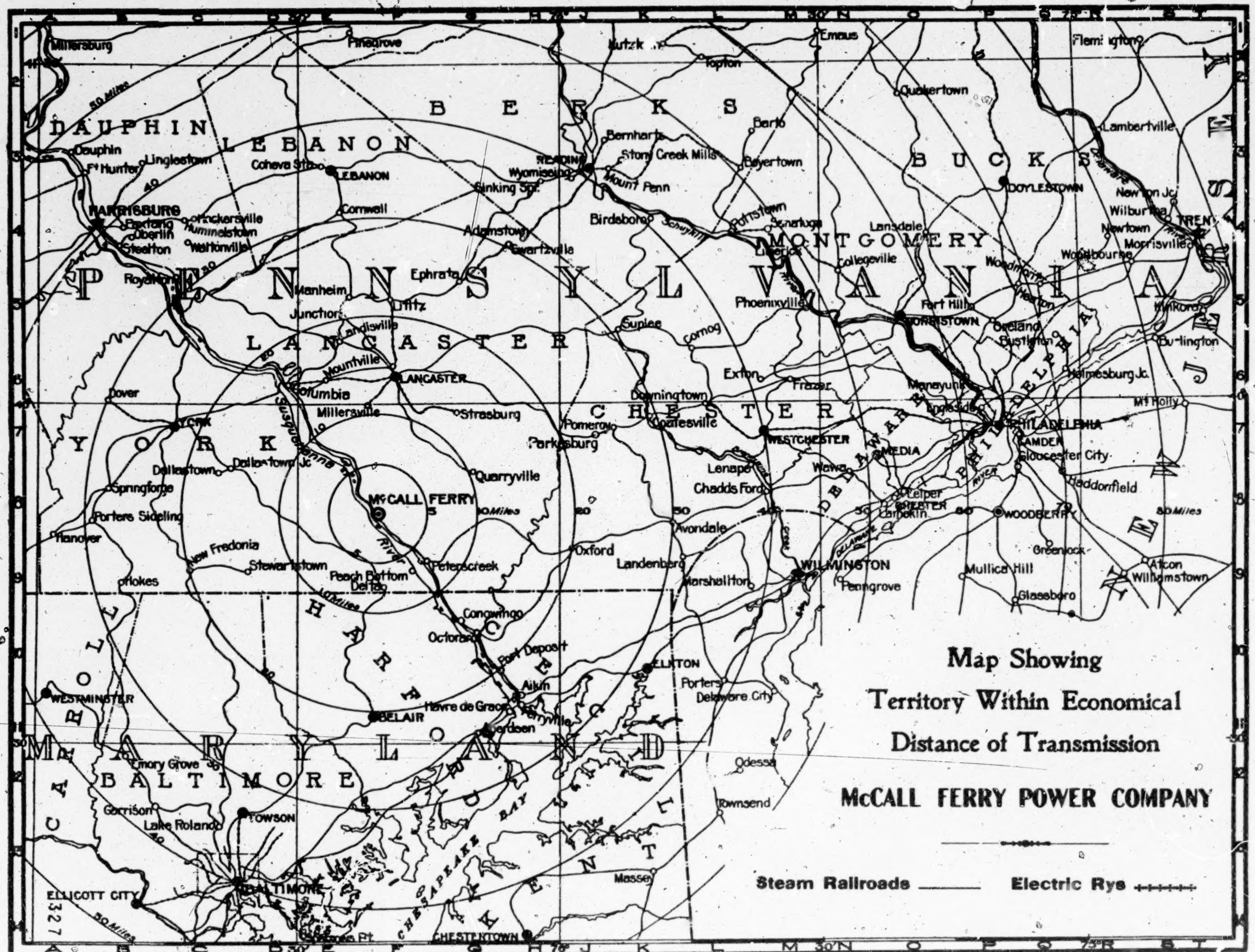
7 Attached hereto is a map showing the location of the McCall's Ferry and the distance to cities where several hundred thousand horse-power is used to operate the numerous industrial plants.

Attached hereto is a map showing the location of the McCall's Ferry and the distance to cities where several hundred thousand horse-power is used to operate the numerous industrial plants.

Trusting that I have fully covered the matter, I am,

Yours respectfully,

R. B. Keen



Letter Re: Status of General Electric Company Work,
August 11, 1909

GENERAL ELECTRIC COMPANY

PRINCIPAL OFFICE
SCHENECTADY, N. Y.

In Reply Refer to

NEW YORK OFFICE, 30 CHURCH STREET

August 11, 1909. L. FERRY POWER
COMPANY.

Mr. J. R. Aldred,
Receiver,
The McCall Ferry Power Company,
No. 24, Exchange Place
New York City, N.Y.

REC D

Dear Sir:-

Referring to your favor of August 10th., asking as to the present condition of the apparatus under contract between the General Electric Company and the McCall Ferry Power Company,

Be to advise that there are six (6) of these generators. One is and has been for many months completed. The second one is in excess of 60% completed. The remaining four are in various stages of completion, it being difficult to give the actual percent, because while some parts are entirely completed, other parts are simply in the rough. The general condition of the remaining four, however, might be considered, counting the actual work done, and not including material, as in excess of 20% completed.

The transformers are between 50% and 60% completed.

Other apparatus, such as compressors, small motors, air tanks, etc., are 100% completed.

The switchboard is about 80% completed.

With respect to all the above apparatus, the material therefor has all been in stock for many months.

It is difficult, in a line of complicated apparatus,

No. 2.

GENERAL ELECTRIC COMPANY

scattered over many shops, to give a more detailed report than the above, which I hope will be satisfactory.

Several thousands of dollars worth of smaller apparatus, 7 in addition to the above, was shipped and is in the possession of the McCall Ferry Power Company. *guy*

Very truly yours,

JRM/S.

J. R. McKee
Chairman Sales Committee.

Request for Deposit of Bonds

*To the Holders of First Mortgage Bonds
and Preferred Stock of*

MCCALL FERRY POWER COMPANY:

The undersigned have been engaged for some time in efforts to secure the completion of the McCall Ferry Power Company's enterprise in a manner which should be satisfactory to its bondholders, and these efforts, and negotiations in connection therewith, are being actively pushed at present.

The Company will not have in hand on December 15th, 1908, sufficient funds to pay the coupons maturing that day.

With the approval of holders of a large proportion of the bonds outstanding, Messrs. William M. Barnum, A. G. Bedford, S. Reading Bertron, Charles A. Coffin, and Gardiner M. Lane, have been asked and have consented to act as a Committee in the interests of holders of bonds and preferred stock of said Company, to continue the efforts and negotiations to perfect a plan for financing the completion of said enterprise, and this Committee considers that its hands will be greatly strengthened in these negotiations, and the interests of all conserved, if the bonds and preferred stock are deposited at once under a preliminary agreement looking to the perfection and submission of such plan as soon as practicable, and providing that depositors may withdraw their deposits without expense if not satisfied with the plan when submitted, that the Committee have certain discretionary powers in the meantime, and that the members shall serve without compensation.

Accordingly, holders of such bonds and stock are invited to deposit the same with the Knickerbocker Trust

Company, No. 66 Broadway, New York, or the City Trust Company, No. 50. State Street, Boston, under the Preliminary Agreement, a copy of which is enclosed herewith. Negotiable certificates of deposit will be issued by the depositaries respectively.

The Knickerbocker Trust Company authorizes us to state that (subject to the consents of its "participants," some of which have been given and the rest of which are expected) it will, upon being directed so to do by the owners thereof, deposit under said Preliminary Agreement bonds and stock of said Company held by it as collateral to secure loans, receiving and holding the certificates of deposit as security in lieu of the collateral so deposited. Accordingly, holders of such bonds and stock so pledged should sign the enclosed order addressed to said Trust Company, and return it in the enclosed envelope.

Dated New York, December 7, 1908.

HARVEY FISK & SONS,
LEE, HIGGINSON & COMPANY,
BERTRON, STORRS & GRISCOM,
H. F. DIMOCK,
C. A. COFFIN.

Preliminary Agreement for Deposit of Bonds

McCALL FERRY POWER COMPANY,
FIRST MORTGAGE BONDS AND PREFERRED STOCK,

PRELIMINARY AGREEMENT.

Agreement, made this 7th day of December, 1908, between WILLIAM M. BARNUM, A. C. BEDFORD, S. READING BERTRON, CHARLES A. COFFIN, and GARDINER M. LANE (hereinafter called the Committee), and the holders of first mortgage bonds and preferred stock of McCall Ferry Power Company becoming parties hereto (hereinafter called Depositors).

WHEREAS, said McCall Ferry Power Company is at present without sufficient resources to finish its hydro-electric enterprise in the State of Pennsylvania, but efforts and negotiations are in progress with the object of perfecting a plan for financing the completion of said enterprise, and the Committee has consented to continue the same and endeavor to perfect such plan;

NOW, THEREFORE, Depositors, each for himself and not for any other, agree with each other and with the Committee as follows:

FIRST.—The Committee is requested to continue the efforts and negotiations above mentioned on behalf of Depositors, and to perfect and issue, as early as may be feasible, a plan for financing the completion of the McCall Ferry Power Company's enterprise. Printed copies of such plan embodied in an appropriate agreement shall be lodged with the Depositaries receiving deposits hereunder, and notice thereof, with a copy of such plan and

agreement, shall be mailed to each Depositor at the address furnished by him in writing to the Depositary receiving his bonds and stock. Depositors who do not assent to such plan and agreement may, without expense to them, at any time before a date to be specified in such notice—which date shall be at least thirty days after the mailing thereof—withdraw their deposits upon surrender of their Certificates of Deposit. All Depositors not so withdrawing their deposits within such time shall be bound by such plan and agreement, with like effect as if they had executed the same, and their deposits shall be deemed to have been deposited, and to be held, under such plan and agreement. Unless such notice of such plan and agreement shall be mailed on or before June 30, 1909, Depositors may, without expense to them, withdraw their deposits upon surrender of their Certificates of Deposit.

SECOND.—Until Depositors shall have become bound by such plan and agreement or shall have withdrawn their deposits, in accordance with the foregoing provisions hereof, Depositors respectively appoint the Committee their agents and attorneys in fact with respect to the deposited bonds and stock, with full power to act for the Depositors in all matters arising in said interval deemed by the Committee to require action in the interest of Depositors, including power, in the discretion of the Committee, to present, or withhold the presentment, for payment, of coupons, and power to request or instruct the trustee under the mortgage securing said bonds with respect to the action of such trustee thereunder, and including power to receive any moneys collected for cov-

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pons, such moneys to be paid over to Depositors upon presentation of their Certificates of Deposit to be appropriately stamped.

THIRD.—By appointment in writing signed by a majority of the Committee, additional members thereof may be appointed, and vacancies therein, occurring by death, resignation or otherwise, may be filled. The Committee may act by a majority thereof either at a meeting or in writing without a meeting. Any member may vote or act by proxy appointed in writing, who may be another member of the Committee or any other person approved by a majority of the Committee. No member of the Committee shall be liable for the act or omission of another member, nor shall the Committee or any member thereof, or either of the Depositaries hereinafter named, be liable for the act or omission of any agent or employe selected in good faith, or in any case except for its or his own willful misconduct. The Committee shall be under no obligation whatever to any holder of bonds or stock of said McCall Ferry Power Company not a party to this agreement.

All members of the Committee will serve without compensation.

FOURTH.—Holders of bonds or of preferred stock of said McCall Ferry Power Company may become parties hereto—within such time as the Committee may determine—by depositing, or causing the deposit of, their bonds or stock, subject hereto, with Knickerbocker Trust Company, No. 66 Broadway, New York, or with City Trust Company, No. 50 State Street, Boston (herein called the Depositaries). Such

bonds and stock shall be held by the Depositary receiving the same subject to the order of a majority of the Committee in accordance with the provisions hereof. Negotiable Certificates of Deposit, in form approved by the Committee, will be issued by the Depositaries respectively for all bonds or stock so deposited. Such deposits of bonds and stock shall have the same effect as if the Depositors respectively had signed and sealed this agreement; and the Depositors severally assign to the Committee, as joint tenants, the bonds and stock so deposited, to hold the same as trustees for the purposes of this agreement. Upon transfer of any Certificate of Deposit, the transferee shall succeed to all the rights of the prior holder and be subject to all the provisions hereof with the same effect as if the transferee had been the original Depositor.

FIFTH.—The word "Committee" herein means the Committee as constituted or existing in accordance with the provisions hereof—and notwithstanding any vacancy therein—at the time in question.

The word "Depositors" herein means the holders of record of the Certificates of Deposit issued hereunder outstanding at the time in question. The Committee and the Depositaries may treat the holder of record of each Certificate of Deposit as the absolute owner thereof.

IN WITNESS WHEREOF the Committee has caused this agreement to be signed by at least a majority of its members the day and year first above written, and holders of bonds or stock of McCall Ferry Power Company become parties hereto by depositing the same hereunder.